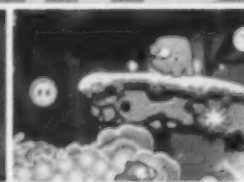


ONTARIO MEDIA DEVELOPMENT CORPORATION

Annual Report 2012-2013

Ontario's Creative Industries:
GROWING. THRIVING. LEADING.

OMDC



We've got it going



Ontario

Ontario Media Development
Corporation

Table of Contents

What We Do and How We Do It	1
Message from the Chair	2
Message from the President & Chief Executive Officer	3
The Creative Industries	4
Building New Platforms for Success	6
Collaboration and Cross-Sector Partnerships	8
Ontario's Creative Media in the Global Marketplace	10
Celebrating Ontario's Achievements	12
Innovative Financial Support	15
Research	18
Doing Business Better	20
Strategic Objectives	21
25th Annual Trillium Book Award Finalists/Winner	22
2012-13 OMDC Program Recipients	23
Board of Directors	33
Management's Responsibility for Financial Statements	34
Independent Auditor's Report	35
Statement of Financial Position	36
Statement of Operations	37
Statement of Changes in Net Assets	37
Statement of Cash Flows	38
Notes to Financial Statements	39
Supplemental Information (unaudited)	44

Our Mission:

The Ontario Media Development Corporation is the central catalyst for Ontario's cultural media cluster. It promotes, enhances and leverages investment, jobs and original content creation in the province's book and magazine publishing, film and television, music and interactive digital media industries.



Ontario

Ontario Media Development
Corporation

Ontario Media Development
Corporation (OMDC)
175 Bloor Street East, South Tower,
Suite 501, Toronto, Ontario M4W 3R8
www.omdc.on.ca

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Antiviral

What We Do

The Ontario Media Development Corporation stimulates investment and employment in six creative media industries in Ontario: **book** and **magazine publishing**, **film** and **television**, **music** and **interactive digital media**.

How We Do It

- **Tax credits** – the Ontario Film & Television Tax Credit (OFTTC), the Ontario Production Services Tax Credit (OPSTC), the Ontario Computer Animation and Special Effects Tax Credit (OCASE), the Ontario Interactive Digital Media Tax Credit (OIDMTC), the Ontario Book Publishing Tax Credit (OBPTC), and the Ontario Sound Recording Tax Credit (OSRTC)
- **Funding** – the Film Fund, the Book Fund, the Magazine Fund, the Music Fund, the Interactive Digital Media Fund and the Export Funds
- **Industry development support** to a range of trade organizations, initiatives and markets, including the International Financing Forum during the Toronto International Film Festival
- **International business development support** for strategic initiatives abroad
- **Ontario's Film Commission** to attract and facilitate film and television production
- **Support and sponsorship** of a wide range of marketing, outreach, education and research activities.



*Rollers Of The Realm,
Phantom Compass*



City and Colour

We've got it going



Message from the Chair

The Hon. Michael Chan
Minister of Tourism, Culture & Sport

Dear Minister Chan,

On behalf of the Board of Directors of the Ontario Media Development Corporation (OMDC), I am pleased to submit the 2012-13 Annual Report.

In 2012-13, Ontario's creative industries continued to grow, thrive and lead. OMDC's support for our book and magazine publishing, film and television production, interactive digital media and music industries has been a key factor in helping them to gain worldwide acclaim.

A number of milestones occurred in 2012-13, including the 25th Anniversary of the Trillium Book Award and the best year ever for Ontario's film and television industry.

Reading through these pages, you will see many examples of how OMDC's programs and services have helped our stakeholders to achieve success in their respective businesses. Our sincere thanks to the Ministry of Tourism, Culture & Sport for its continuing support, and to OMDC's dedicated Board, management and staff, for their commitment to ensuring that Ontario continues to be a leader in stimulating the creation of globally-recognized creative media content.

Respectfully submitted,



Kevin Shea
Chair



Message from the President & Chief Executive Officer

Ontario's creative industries have continued to enjoy strong, steady growth. Collectively, our entertainment and creative cluster (which includes film, TV, music, books, magazines and interactive digital media) contributes close to \$12.4 billion in GDP to the provincial economy. The entertainment and creative cluster is also one of Ontario's fastest growing sectors, outpacing overall provincial growth. Since 2000, the ECC created over 48,000 net new jobs, an increase of 30% compared to 15% for the overall economy.

Film and television production contributed \$1.28 billion to the provincial economy, almost double the \$671.2 million the industry generated in 2008 (up 90 per cent). In fact, domestic production has been increasing since the late 1990s. That production activity accounted for almost 29,000 full-time direct and spin-off jobs.

Ontario's winning combination of government support, stable and competitive financial incentives, world class infrastructure, superb talent and skills, and diverse locations together have allowed us to attract and retain a strong slate of production activity in 2012. This commitment has ensured the growth and stability of our production sector over the long term. While foreign film and television production continues to be an important part of our strategy, we are especially pleased by the strong performance of our domestic companies which anchor the industry in Ontario.

Ontario's Interactive Digital Media (IDM) industries generate annual gross revenues of \$1.4 billion and employ 16,000 people in the province. We anticipate that this sector will continue to lead economic growth in the cluster.

One of Ontario's advantages is our strength across so many different sectors which creates considerable opportunity for cross-sector collaboration across all creative industries. Events like OMDC's From Page to Screen encourages the transformation of stories and characters from books to various screens and platforms.

Ontario is home to more than half of Canada's book publishing industry, with Ontario-based companies bringing in revenues of \$1.3 billion dollars a year. More than half of the magazines in Canada are produced in Ontario, and half of those titles ship to readers outside

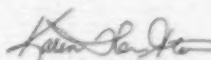
the province. Ontario's music industry is the largest in Canada, with the highest revenues across the board, from record production to publishing to sound recording studios.

A few of the 2012-13 fiscal year highlights include:

- OMDC's Book Fund supports business development, marketing and digital initiatives for Ontario and in 2012-13 provided \$2.1 million to 35 publishers. Since its inception, the Book Fund has increased publisher revenues by \$44.3 million, increasing market share by 20% on average, and profits by an average of 15%.
- In 2012-13, the OMDC Magazine Fund provided \$1.8 million in support to Ontario magazine publishers.
- OMDC's Tax Credits department issued 1,714 certificates for 2,368 cultural media products. The estimated tax value was \$428 million for projects valued at \$4.5 billion.

We are grateful for the confidence that the Government of Ontario continues to place in OMDC, and for the support and hard work of our Board and staff.

Sincerely,



Karen Thorne-Stone
President & CEO



The Creative Industries

BOOK, MAGAZINE, FILM, TV, MUSIC and INTERACTIVE DIGITAL MEDIA

Over the past 12 months, Ontario's thriving creative industries have produced best-selling, record-breaking, award-winning content.



marblemedia's *Splatalot!*

Six Strong Sectors:

- Book publishers in Ontario bring in \$1.3 billion in annual revenues and pay \$260 million in wages and benefits.
- Ontario's \$1 billion magazine industry supports an average of 9,000 jobs annually, with salaries of more than \$360 million a year.
- Generating the lion's share of Canada's music recording and publishing revenues, the music industry in this province accounts for over 2,600 direct and indirect jobs.
- More than 1,000 digital media companies in Ontario produce revenues of \$1.4 billion and high-value employment for 16,000 skilled workers.
- The stature of Ontario's film and television industry has helped to make 'Hollywood North' the third-largest entertainment and creative jurisdiction in North America.

The Ontario government believes support for the OMDC is a sound investment in a sector that has proven its ability to strengthen and stimulate the economy in challenging times. As one of the world's most vibrant creative centres, Ontario is poised to seize new opportunities for economic growth and job creation.

"The resources and financial support producers have access to in Ontario is the envy of content creators around the world."

– Mark Bishop, Co-CEO and Executive Producer, marblemedia



Mark Bishop,
marblemedia

Another 'best-ever' year for film and TV

The film and television industry continues to show robust growth, nearly doubling economic activity in just five years. The sector contributed close to \$1.28 billion to the provincial GDP in 2012 – the strongest financial results ever, accounting for almost 29,000 full-time direct and spin-off jobs.

In 2012-13, the OMDC Film Fund provided \$4.5 million for 32 feature films, stimulating \$110 million in additional financing.

2012-13 was a busy year for Ontario feature production with 15 indigenous films going to camera, including the post-apocalyptic *The Colony*; *Cas & Dylan*, with Richard Dreyfuss and Tatiana Maslany; *The F Word*, with Daniel Radcliffe in his first romantic comedy; Atom Egoyan's latest star-studded production, *The Captive*; and *The Calling* with Susan Sarandon.

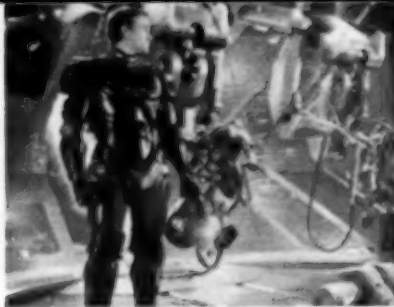
Film and Television tax credits valued at \$347 million have leveraged well over ten times that amount for film and television projects since 2005.



OMDC Film Fund feature – *Cas & Dylan*



Defiance



Pacific Rim



Bomb Girls

2012 Highlights Reel

- Domestic film and television projects accounted for 68% of total production activity, generating revenues of \$871.9 million.
- Television series made the strongest contribution, with domestic productions up by more than 10% to \$698.2 million.
- The province attracted an 80% increase in foreign television production.

Ontario's talent pool, technical expertise, state-of-the-art infrastructure and access to reliable funding combined to attract outside productions. New to the province is Gaumont International TV, which brought *Hannibal* and *Hemlock Grove* here. NBC Universal returned with *Warehouse 13*, *Suits*, *Alphas* and *Covert Affairs* along with the new series *Defiance*. And highly rated local series such as *Murdoch Mysteries*, *Degrassi: The Next Generation* (now in its

On location in Ontario in 2012:

48 feature films for theatrical release
67 feature films for TV or cable
158 episodic series for TV

12th season), *Rookie Blue*, *Bomb Girls* and *Flashpoint* (in its final year) continued to attract a large and loyal fan base the world over. OMDC's Film Commission assisted all of these productions.

In early 2012, filming began on Guillermo del Toro's *Pacific Rim* (Legendary Pictures and Warner Bros.) – the largest feature ever to shoot in this province. Cameras also rolled on high-profile remakes of *Robocop* and Stephen King's *Carrie* (both from MGM).

Producer and Canadian box-office king Don Carmody began work on *Mortal Instruments: City of Bones* (Constantin Films). His last movie, *Resident Evil:*

Retribution, grossed over \$5.4 million in Canada in 2012, earning Carmody his seventh Cineplex Golden Reel Award, presented to the Canadian film with the highest domestic box-office earnings.

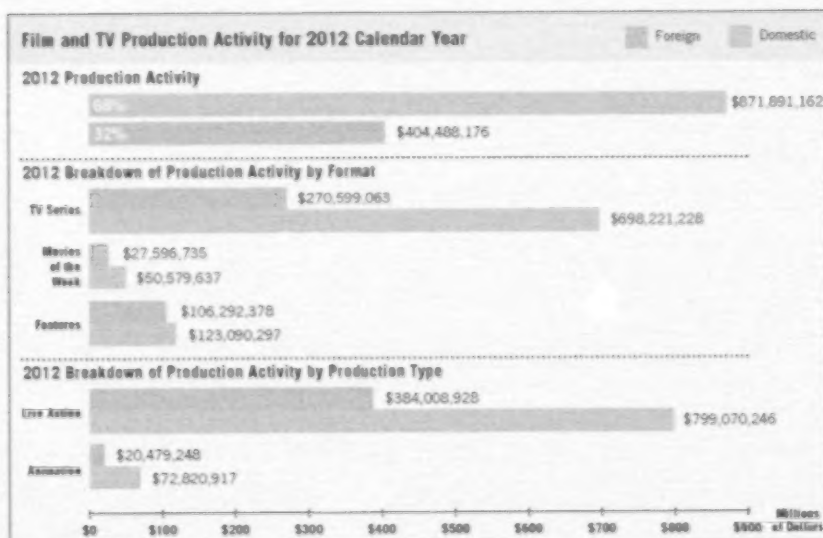
Northern Ontario shared in the increase in production levels, thanks to indie features like *Cas & Dylan*, *The Calling*, *Breakout* and *The Colony*.

In addition to productions that shoot in Ontario, blockbuster films and lavish television series like *Vikings*, *Game of Thrones* and *The Amazing Spider-Man* film on location all over the world, then head to Ontario for best-in-class visual effects and digital animation. Animated children's series like *Justin Time*, *Thomas the Tank Engine* and *The Cat in the Hat* are also produced in Ontario for a worldwide market.

"Producing *Beauty and the Beast* in Ontario was an easy decision to make, as Ontario is a hub of high-end production that delivers hundreds of hours of television programming to the US and international markets on an annual basis... In addition to the talent pool and infrastructure, Ontario offers competitive and dependable tax credits..."

– Frank Siracusa, Executive Producer, Whizbang Films Inc.

– John Weber, Executive Producer, President, Take 5 Productions Inc.



Building New Platforms for Success

Media worlds are colliding and new entertainment galaxies are exploding through interconnectivity across borders, across sectors and across platforms.

Ontario's interactive digital media sector is a \$1.4 billion industry, helping to fuel as well as feed the growing global appetite for innovative, transmedia content. The province has already firmly established itself as a hub for small game and mobile app development across a variety of delivery platforms. Our digital capacity is now being expanded across all creative media sectors in order to meet consumer demand, enhance global competitiveness and achieve other business goals.

2013 Digital Dialogue Conference:

In January, OMDC hosted its third Digital Dialogue conference. Stakeholders from Ontario's creative industries gathered with financiers, venture capitalists, media buyers and technology experts to explore the impact of multiplatform connectivity on the media landscape. Close to 300 industry leaders attended the sold-out event.

OMDC issued its 800th Ontario Interactive Digital Media Tax Credit in March, 2013.

OMDC • SODIMO

Digital Dialogue Numérique

Premiere: Digital Dialogue Breakfast Series – Continuing the Conversation

Building on the popularity of the annual Digital Dialogue conference, OMDC introduced a series of breakfast sessions over the course of the year as a forum for ongoing discussion among decision-makers in the cultural media industries.



Tom Frenel, CEO, Little Guy Games

"What began as a software cluster in Waterloo and a gaming hotbed in Montreal is evolving into a broad digital media ecosystem that spans the publishing, film, television and music sectors."

– Tom Frenel, CEO, Little Guy Games



Panel – The Connected Consumer: Mary Maddever, Playback; Chris Geddes, Mobovivo; Maria Hale, Corus Entertainment; Chris Harris, Shaw Media; Janice Diner, Horizon Studios; and David Brown, YouTube/Google



Digital Dialogue Breakfast Series – Commercializing Content Rights for Mobile: PwC's Lisa Coulman moderated the panel of industry leaders including: Mike Wajman, MavenSay; Yoav Schwartz, Uberflip; and Lisa Lyons, Corus Entertainment – Kids Can Press

OMDC supports Interactive Ontario's GameON: Finance, a two-day conference exploring the business of games with a particular focus on new and evolving business models, and access to capital for business growth, project financing and product distribution.

With ready access to first-class educational institutions, leading-edge R&D, and government support through innovative programs and initiatives, Ontario's content creators are able to fully embrace new technologies and new opportunities.

Since 2005, the IDM Fund has awarded \$13 million, creating over 800 highly skilled jobs and resulting in more than \$56 million in revenues reported to date on completed projects.

Once again, OMDC-supported game developer Digital Extremes of London, Ontario, earned a spot on Canada's Top 100 Employers and Canada's Top Employers for Young People lists. The team at DE also scooped two 2012 Digi Awards: Most Innovative Digital Media Technology for *Evolution Engine* and Best in Web Gaming for *Warframe*.

Ontario IDM companies produce an average of 29 projects a year, 65% of which are based on their own intellectual property.

OMDC funding supports Ontario's creative industries as they develop, produce and roll out their products onto digital platforms.

The OMDC Book Fund has enabled Ontario publishers – leading adopters of digital technologies – to bring digital production capacity in-house, introduce efficient new digital workflows and increase productivity by 10%. More than 3,500 e-books have been released with OMDC support.

In 2012, a pilot initiative was introduced by OMDC to support digital-only magazine publishers in leveraging the increased popularity of mobile devices for the consumption of content.

As a leading source of information for Canadian car dealerships, *Canadian Auto Dealer Magazine* has built a reputation for delivering timely, high-quality video content. With support from the OMDC Magazine Fund, Universus Media was able to establish the in-house video production capability to expand its online audience and compete with big international players.



2life



29Secrets.com



Canadian Auto Dealer Magazine

Collaboration and Cross-Sector Partnerships

Promoting collaboration among firms, across sectors and within the broader business community is a primary role of OMDC.

As delivery platforms rapidly change and converge, Ontario's content creators can find effective new ways to adapt and succeed by exchanging expertise, sharing resources and forging strategic partnerships. It is the stimulus of cross-sector cooperation and collaboration that keeps our creative cluster nimble and agile, skillfully competing to win in the global economy.



Filmmaker Sudz Sutherland (Hungry Eyes Film & Television) meets with publishers at OMDC's From Page to Screen event

"Business alliances are evolving... the sectors are cross-pollinating. Music labels are teaming up with gaming companies, filmmakers are partnering with health and education agencies, brands are working directly with content creators and talent agencies are partnering with distribution channels."

— Sudz Sutherland, Co-Founder of Hungry Eyes Film & Television



University of Toronto Press' Chris Reed and Lisa Jemison

From Page to Screen

Publishers and producers were kept busy with over 400 one-on-one meetings at OMDC's 6th annual From Page to Screen event. Designed to promote the adaptation of stories and characters from books to the big and small screens, the event has brokered 23 option deals since its inception.

OMDC has played matchmaker to many successful cross-sector partnerships. The acclaimed radio documentary, *Hana's Suitcase*, has now been successfully adapted to book, television, stage, film, and most recently, an interactive book available on the iPad.



New JUNO TV & JUNO Awards Mobile App

The best of Canadian music is now available to a wider audience through the launch of the OMDC-supported online JUNO TV channel and JUNO Awards iPhone app.

"JUNO TV helps us cast a spotlight on Canadian music year round. It's about an ongoing and thriving Canadian music industry."

*– Melanie Berry, President, and CEO,
CARAS/The JUNO Awards*

Live Music Lives At NXNE

Affirming Ontario's reputation as a global leader in live music, the 18th year of North by Northeast (NXNE) was marked by record attendance. Originally fashioned after the popular South by Southwest festival (SXSW) in Austin, Texas, NXNE has grown from a three-day showcase for local indie musicians into a week-long cross-sector celebration of talent. In addition to live music, the event now also features a film festival and an interactive digital conference (NXNEi) that focuses on the integration of technology with creativity in music, film and the arts.

At OMDC's Music Makes It!, 60 companies from Ontario's music publishing and screen-based media industries participated in a series of scheduled one-on-one meetings to discuss the licensing of Ontario music for placement in film, television, interactive and advertising productions. The event generated many high-quality leads for lucrative new business opportunities.



OMDC's Music Makes It! event: Devi Ekanand, Coalition Entertainment; Mishelle Pack, Sony/ATV Music Publishing Canada; Cheryl Link, Peermusic Canada Inc.; Sari Delmar, Audio Blood Media Inc.; and Avi Diamond, Maple Music



Music Makes It! meetings

Ontario's Creative Media in the Global Marketplace

OMDC programs and initiatives are designed to stimulate international partnerships that will sustain and grow the industry and its revenue base.



Whitehorse



The Wilderness of Manitoba

OMDC presented the Ontario Showcase at SXSW, featuring artists including Whitehorse (Six Shooter Records), The Wilderness of Manitoba (Popguru Sound & Vision), Poor Young Things (Burnstead Productions) and The Darcys (Arts & Crafts).

In 2011-12, OMDC Export Funds* enabled:

- **28 book publishers** to travel to **61** international markets which resulted in revenues of **\$5.8 million**;
- **82 film and television** companies to visit **89** international markets, earning **\$170 million+**;
- **34 music** companies to attend **56** international markets and generate **\$4.2 million**; and
- **41 IDM** companies to attend **59** international markets, bringing in **\$6.7 million**.

In 2012-13, the Export Fund provided **\$1.8 million** to **204** companies for **747** business-building trips to international markets and strategic destinations.

One of the largest and most important international trade fairs for the music industry, Marché International du Disque et de l'Édition Musicale (MIDEM) provides a forum for artists, producers, managers and investors from all over the world to talk business, promote labels and generate new revenue streams. At the 2013 MIDEM conference in Cannes, OMDC co-hosted the Ontario reception with 44 Ontario music stakeholders and over 180 international VIP guests, and supported Canadian Independent Music Association (CIMA)'s Canadian Blast with a night billed as the Ontario Showcase, featuring four Ontario artists – Jesse LaBelle, Alejandra Ribera, Divine Brown and The Balconies.

Ontario's screen-based content creators had the opportunity to network and

discuss licensing arrangements on a global level at MIPCOM – The World's Entertainment Market – in October. The industry was well represented, with a Focus on Canada program supported by OMDC, a powerful presence on the Canada Stand, and a reception targeted to Canadian and international companies doing business in the interactive and convergent space.

During Canadian Music Week, OMDC hosted a networking lunch in honour of the 10th anniversary of the International Marketplace and supported a number of international partnership initiatives, including Spotlight on Japan and Spotlight on Korea.



OMDC hosts 10th Anniversary luncheon for The International Marketplace (IMP) at CMW. Keely Kemp, OMDC; Neill Dixon, President of Canadian Music Week; and Donna Murphy, Canadian Independent Music Association

OMDC supported CIMA's Music Mission to Japan, arranged to explore business opportunities and strengthened Canada's ties to the dynamic Japanese market. Eleven Ontario companies participated in the trade mission, which showcased three Ontario bands.

With OMDC support, over 20 Ontario game companies were able to exchange ideas and exhibit their wares with a stand-out kiosk at the Game Developers Conference in San Francisco – the largest annual learning and networking event for professional video game developers.

**2011-12 OMDC Export Fund are the most recent year for which results are available.*

IFF at TIFF

Taking advantage of the global film industry's presence for the Toronto International Film Festival (TIFF), OMDC's 7th International Financing Forum (IFF) brokered 450 meetings among more than 80 film producers and industry executives from top global companies including eOne Entertainment, Film 4, IFC Films, The Match Factory, Participant Media, TF1, Trust Nordisk and Studio Canal. In addition to pursuing co-financing opportunities, several hundred Canadian



IFF Panelists: Jere Hausfater, Wendy Mitchell, Michael B. Clarke, Milan Popelka

and international stakeholders participated in IFF-related networking events.

Screened at TIFF

Seven OMDC-supported feature films were selected to screen at the 2012 Toronto International Film Festival: *Antiviral*, *Midnight's Children*, *Home Again*, *Foxfire: Confessions of a Girl Gang*, *Inescapable*, *The Lesser Blessed*, and *Still Mine*.

Since 2006, IFF has sown the seeds for a total of 297 feature films, including OMDC-supported *Midnight's Children*, which was selected for screening at TIFF 2012.



Midnight's Children



PLT offers a platform for producers on both sides of the pond to combine creative, technical and financial capabilities

Designed for independent producers with appropriate projects in the pipeline, Producers Lab Toronto 2012 during TIFF brought 24 Canadian and European producers together to explore the potential for international co-productions. This highly effective platform, which incorporated a Toronto Locations Tour for visiting producers, has led to the active development of 27 projects since its inception.

"I signed a co-production agreement with one of the Canadian producers for a project that we hope to have in production by the summer of 2013. Not only did I connect with a partner at Producers Lab, but the visibility we got by announcing the project during TIFF will help us through the life of the project. Dreams do come true!"

— Mariano Vanhoof, *Fobic Films* (Belgium)

Ontario Film Commission

As part of its successful, ongoing efforts to market Ontario to the international film and television production industry, the OMDC Film Commission provides location scouting and facilitation services, at no charge, to producers considering shooting here.

With a permanent marketing presence in Los Angeles (in partnership with the City of Toronto and FilmOntario), direct links to all regional film contacts in the province, and a digital locations database with more than 230,000 high-

The Film Commission added almost 800 new locations to the Digital Location Library in 2012-13.

quality images representing over 11,000 locations, the Film Commission provides a seamless location experience for both domestic and foreign projects, assisting 169 productions in 2012-13.

OMDC working with the City of Toronto and Film/Ontario hosted the third annual Toronto/Ontario on Location in L.A. event, an initiative designed to showcase the province's advantages as a world-class destination for film, TV, VFX, animation and post-production. Featured speakers included Callum Greene, Executive Producer of *Pacific Rim*, and Randi Richmond of NBC Universal, who shared insights on Ontario's role in the success of their recent projects.



Panel: Callum Greene, Peter Oillataguerre, Andy House, Susan Murdoch, Randi Richmond and Len Pendergast

"Every facet of the film and television industry was represented at the event so all I had to do was drive from Hollywood to Universal City to feel like I was in Toronto, Ontario!"

— Justin Levine, Executive Producer, *Stardust Pictures*

Over the past year, the LA office helped bring to Ontario five productions with a value of \$75 million.

Celebrating Ontario's Achievements



25th Trillium Book Awards

Public interest and media coverage were at an all-time high for the celebrations

surrounding the 25th anniversary of the prestigious Trillium Book Award/ Prix Trillium, established in 1987 to recognize the quality and diversity of Ontario writing. Special events included an authors' dinner, public readings by previous winners and finalist authors, a public contest, and panel discussions of the top Trillium titles from years past. The awards gala itself showcased a new logo, retrospective video in which past Trillium honourees shared personal observations about the prize, and a live musical performance by the Good Lovelies.

The English and French winners each received \$20,000, while their publishers received \$2,500 to promote the winning titles. The English and French poetry winners were awarded \$10,000 each, with \$2,000 going to their publishers. All finalists were given a \$500 honorarium.

More Accolades for Ontario's OMDC-supported Writers and Publishers
Ontario writers were celebrated at a number of literary competitions in 2012, including the **Governor General's Literary Awards, Rogers Writers' Trust, Scotiabank Giller Prize, Griffin Poetry Prize and TD Canadian Children's Literature Award.**

Among the works receiving multiple awards or nominations were Tamas Dobozy's *Siege 13* (Thomas Allen

Publishers); poet Ken Babstock's *Methodist Hatchet* (House of Anansi Press) and Patrick deWitt's *The Sisters Brothers* (House of Anansi Press), which took the CBA 2012 Libris Awards Fiction Book of the Year, the Governor General's Literary Award for Fiction 2011, and the Stephen Leacock Medal, and which was also shortlisted for the Man Booker Prize, the Scotiabank Giller Prize and the Walter Scott Prize.

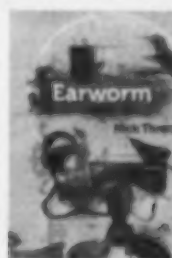
The 25th Trillium Book Awards were presented to:



English-Language:
Phil Hall, *Killdeer*
(BookThug)



French-Language:
Michèle Vinet,
Jeudi Novembre
(Éditions Prise de parole)



English-Language Poetry:
Nick Thrane, *Earworm*
(Nightwood Editions)



French-Language Poetry:
Sonia Lamontagne,
À tire d'ailes
(Éditions Prise de parole)



25 Trillium Winners: Nick Thrane, Michèle Vinet, Minister Michael Chan, Phil Hall, and Sonia Lamontagne

Bringing Home the Gold

The recognition earned by the province's content creators at high profile awards shows holds its value long after the applause dies away. Nothing speaks more loudly or credibly to the capabilities of our creative industries than the respect and admiration of global peers.

2012-13 Superstars

Web series Guidestones (iThentic/Smiley Guy Studios) won Best in Web Series, Fiction at both the 2012 Digi Awards and the Banff World Media Festival, as well as Best Original Web Series at the 2013 Canadian Screen Awards and the 2013 International Emmy Award for Best Digital Program – Fiction at the MIPTV Media Market in Cannes.



Guidestones



Best Original Program or Series Produced for Digital Media – Fiction: *Guidestones*, Jonas Diamond, Jay Ferguson, Lisa Baylin, Jeremy Diamond, Denny Silverthorne

Prime Radicals creates 'Mathemagic'

Acclaimed children's television series *The Prime Radicals* (GAPC Entertainment) won three Prestige Film Awards, including a Gold for Interactive Website, as well as top honours at the Houston International Film Festival, Hermes Creative Awards and American Pixel Academy Awards.

Superbrothers: Sword & Sworcery EP

(Copybara Games) picked up five awards at the 2012 Canadian Indie Game Awards (Best Game on the Go, Best Downloadable Game, Best Indie Game, Best Original Music and the Innovation Award) and was named the Best Handheld Game at the 2012 Game Developers Conference in San Francisco.

Among the Ontario magazines honoured at the 35th **National Magazine Awards** were *Design Lines*, *Canadian Art*, *Canadian House and Home* and *Toronto Life*. The **Canadian Online Publishing Awards**, celebrating digital journalism and design, awarded top prizes to OMDC-supported titles, including *The Walrus*, *Sharp for Men*, *Today's Parent*, *Spacing* and *Maclean's*. The **Kenneth R. Wilson Awards** for excellence in business-to-business magazines included Ontario-based publications *Listed* and *Marketing Magazine*.

In 2012, the Gemini Awards and Genie Awards were merged to form the **Canadian Screen Awards**, which recognize Canadian accomplishments in film, television and digital media. In March 2013, the ceremony was broadcast nationally. Among the many Ontario honourees were Andra Sheffer, selected for the Digital Media Trailblazing Award; the team behind *My Babysitter's A Vampire Interactive: Human vs Vampire*, for Best Cross-Platform Project – Children and Youth; and Mr. X, which won Best Visual Effects for *Resident Evil: Retribution*.

Toronto director Kate Melville's *Picture Day* won the 2012 **Borsos** competition for the best Canadian feature at The Whistler Film Festival.

For the first time in history, father and son directors David (*Cosmopolis*) and Brandon (*Antiviral*) Cronenberg both premiered OMDC-supported features at the **Cannes Film Festival**.



Ontario director Ruba Nadda (*Inescapable*, *Cairo Time*) was a featured speaker at Celebrate Ontario

OMDC's annual salute to Ontario films and filmmakers, **Celebrate Ontario**, was held during the Toronto International Film Festival, with more than 600 cultural industry, government, media and academic leaders in attendance. A compilation CD of critically acclaimed Ontario music was distributed at the event.



TIFF's Rising Stars: Charlotte Sullivan and Charlie Carrick at Celebrate Ontario

Celebrating Ontario's Achievements continued



Monster Truck



Feist (centre) with hosts Lauren Toyota, Grant Lawrence and Tim Kingsbury and Jeremy Gara of Arcade Fire wins 2012 Polaris Prize for *Metals*

Ontario artists held their own at music events throughout the year, scooping top prizes at the 2012 **JUNO Awards** (13 winners, including Arkells for Group of the Year; Drake for Rap Recording of the Year; and Justin Bieber, Fan Choice); 2013 SiriusXM Indie Awards (10 winners, including deadmau5 for Live Artist or Group of the Year); the **Canadian Radio Music Awards** (13 winners including Arts & Crafts for Management Company of the Year); **CMW Broadcast Industry Awards** (two winners including Arts & Crafts

for Canadian Independent Label of the Year); and the 2012 **SOCAN Awards** (nine winners, including FeFe Dobson for Pop/Rock and Bruce Cockburn for Lifetime Achievement).

Of special musical note: Feist added the \$30,000 2012 **Polaris Music Prize** for *Metals* to her JUNO Award for Artist of the Year; and Bruce Cockburn earned a JUNO for his solo album as well as SOCAN's Lifetime Achievement Award.



The Arkells – 2012 JUNO Award – Group of the Year

2012 MILESTONES

2012 was a big year for these OMDC stakeholders:

FIRST EVER... Canadian Screen Awards (formerly Gemini and Genie awards)

FIRST EVER... Father and son directors with films at the Cannes Film Festival (David and Brandon Cronenberg)

10th YEAR... Arts & Crafts Productions
Paper Bag Records
International Marketplace at Canada Music Week
House of Anansi Press
Hana's Suitcase (Second Story Press)

20th YEAR... Exclaim! Magazine
Hot Docs

25th YEAR... Trillium Book Awards

35th YEAR... National Magazine Awards



2012 JUNO Award – Roots & Traditional Album of the Year: Solo – Bruce Cockburn (True North* eOne), Small Source of Comfort

Innovative Financial Support

In 2012-13, the Industry Development Program invested \$2 million in 62 projects, initiating over 36,304 business leads.

Through its Industry Development Program, OMDC supports Ontario's content creators and producers by partnering with established trade organizations and business events that stimulate the growth of the province's book, magazine, film, television, music and interactive digital media industries.

Business-building initiatives supported by the Industry Development Program include MagNet, Canada's leading magazine publishing conference; the Ottawa International Animation Festival; Interactive Ontario's GameON Finance and iLunch cross-sector business-building sessions; Canadian Independent Music Association's Showcase at MIDEM and SXSW; the International Visitors Programme promoting cultural exchange in the book publishing world; and Word on the Street.



Matt Hilliard-Forde, OMDC with panelists Matthew Blackett, *Spacing*; Mark Kristofic, *S-Magazine*; and Michael LaFave, *Sharp*

OMDC's Magazine Best Practices Panel, a business development forum for Ontario's magazine publishing professionals, featured moderated discussions on issues and challenges, as well as presentations by Matthew Blackett of *Spacing Magazine*, Michael LaFave of *Sharp* and *S-Magazine's* Mark Kristofic, who were generous with insights gleaned from experience leading successful projects. Held throughout the year, Best Practices events serve as a catalyst for new strategies, new partnerships and new business models.



Peter Miller, Chair of Interactive Ontario and Mark Jamison, CEO of Magazines Canada at OMDC's Best Practices event



OMDC supported CIMA's Canadian Blast at MIDEM with an Ontario Showcase, featuring four Ontario artists (clockwise from top left) - Jesse LaBelle, Alejandra Ribera, Divine Brown and The Balconies



Groundwood Books marketing initiative supported by OMDC Book Fund



Canadian Geographic Magazine

Noteworthy Fund Facts

The 2012-13 **Book Fund** awarded more than \$2.1 million to 35 Ontario publishers. Since 2005, the fund has increased publishers' revenues by \$44.3 million, their market share by an average of 20% and their profits by 15%, while creating 166 new high-value jobs.

In 2012-13, the **Magazine Fund** provided over \$1.8 million to Ontario magazine publishers. Since 2005, the Fund has awarded \$8 million, created 170 full-time jobs and generated revenues of \$24 million – three times the amount invested.

The 2012-13 **IDM Fund** investment of \$3.2 million leveraged an additional \$5.8 million for 24 interactive projects, resulting in 5,400 weeks of work for Ontario creators. Gaming is projected to be an \$80 billion global industry by 2015, with 5-6% growth per year in Canada.

In 2012-13, the OMDC **Music Fund** provided \$700,000 to 21 independent music labels and music publishers to finance business development projects. This fund supported 34 projects with total project budgets of \$1.4 million. Since the OMDC Music Fund was introduced in 2005, recipients have reported increased revenues of \$23.2 million, nearly two-thirds of which is directly attributable to the Fund. During the same period, Music Fund recipients added 112 new employees.

The 2012-13 OMDC **Film Fund** program cycles provided support of \$4.5 million for 19 production applications and 13 development applications, generating total spending of \$110 million and about 10,800 weeks of work. With an investment of \$29 million since 2005, the Film Fund has supported 212 feature film projects, creating more than 55,000 weeks of employment for the province's production community.



CP Records & Management received support through the OMDC Music Fund



Mega Run, Get Set Games



Still Mine

Enhancing vital tax programs

In cooperation with the Canada Revenue Agency, OMDC manages six tax credits, which provide a stable and reliable source of financial support of vital importance to the cultural media sectors:

Ontario Book Publishing Tax Credit

(OBPTC): a 30% refundable tax credit on eligible expenditures to publish and market books by Canadian authors, available to Ontario-based Canadian corporations.

Ontario Film and Television Tax Credit

(OFTTC): a 35% refundable tax credit on Ontario labour expenditures for film and television productions produced by Ontario-based Canadian corporations.

Ontario Production Services Tax Credit

(OPSTC): a 25% refundable tax credit on Ontario production expenditures (both labour and non-labour costs as well as all post-production) for film and television productions by Canadian or foreign-controlled corporations.

Ontario Computer Animation and Special

Effects Tax Credit (OCASE): a 20% refundable tax credit on Ontario labour expenditures for digital animation and visual effects created in Ontario for film and television productions.

Ontario Sound Recording Tax Credit

(OSRTC): a 20% refundable tax credit on eligible expenditures to produce and market sound recordings by Canadian artists, available to Ontario-based Canadian corporations.

Ontario Interactive Digital Media Tax

Credit (OIDMTC): a 40% refundable tax credit (35% for development under fee-for-service) on eligible expenditures to develop IDM products in Ontario, available to Canadian and foreign-controlled corporations.

In 2012-13, OMDC delivered an estimated \$428 million in tax credits to Ontario's book publishing, film, television, music and interactive digital media sectors in support of 2,368 projects, with budgets valued at \$4.5 billion.

Tax Credit Statistics 2012-2013

	Applications Received	Number of Certificates Issued	Number of Projects	Total Value of Estimated Tax Credits	Project Value
OBPTC	508	570	570	\$3,956,626	\$14,736,494
OSRTC	103	430	107	\$1,300,392	\$6,767,121
OFTTC	324	356	356	\$148,160,858	\$971,195,772
OPSTC	137	127	127	\$183,198,099	\$2,930,346,408
OCASE	76	55	193	\$15,794,113	\$239,282,487
OIDMTC	262	176	1,015	\$75,179,505	\$338,878,801
TOTAL	1,410	1,714	2,368	\$427,589,593	\$4,501,207,081

Notes: OCASE and OIDMTC applications are based on the applicant's fiscal year of activity and may include multiple productions. Up to three OSRTC certificates, for each fiscal year, are issued for each album.

Total Value of Estimated Tax Credits reflects certificates issued in the fiscal year, NOT production activity in that period.

Advancing industry knowledge

Staying abreast of global trends, technological advances and market intelligence is critical for Ontario's content creators. OMDC conducts and supports research that advances knowledge, fosters growth and drives innovation in all six creative sectors. In addition to commissioning our own research, we provide research grants for studies undertaken by not-for-profit industry organizations to benefit the entire creative cluster. As well, the agency compiles Industry Profiles, providing current information on developments and issues within each industry.

Research Showcase 2012

At the OMDC Research Showcase in April, presenters from Magazines Canada, the Canadian Media Production Association (CMPA), the Canadian Independent Music Association (CIMA), the Canadian Interactive Alliance (CIAIC), the Documentary Organization of Canada (DOC) and the Association of Canadian Publishers (ACP) shared highlights of the latest research impacting Ontario's creative industries.

OMDC Program Evaluations

Independent evaluations of the Magazine, Music and Book Funds in Industry Development Group were undertaken throughout the year and involved extensive consultations with industry stakeholders to explore the impact and relevance of the individual Funds since inception. All three evaluations concluded that Magazine, Music and Book Funds play a valuable role in supporting investments in the industry, in technology and enabling companies to grow and adapt to changing the marketplace.

As a result of the evaluations OMDC will continue to support investments focusing on digital innovation in 2013-14 and will continue to adapt these Funds to respond to the changing business environments going forward.



Kate Edwards, ACP with Erin Creasey, ECW Press at Research Showcase

In 2012-13, eight OMDC-funded research studies were released:

- Discoverability: Strategies for Canada's Digital Content Producers in a Global Online Marketplace (CMPA)
- Mobile Innovation: Ontario's Growing Mobile Content, Services and Applications Industry 2012 (MEIC)
- The Canadian Feature Film Distribution Sector in Review: Trends, Policies and Market Developments (CAFDE)
- Consultation on K to 12 Educational Publishing in Canada (ACP)
- Feasibility Study for Screen-based Content Producers Business Incubator Program (Centennial College)
- New Directions for the Financing of Interactive Digital Media in Canada (CIAIC)
- OMDC Client Satisfaction Survey
- Economic Profile of the Computer Animation and Visual Effects Industry in Ontario, 2008-2010 (CASO)

OMDC-funded research is available on the OMDC website.

OMDC Online Research Library

Introduced in 2009, the OMDC Online Research Library offers 24/7 access to a fully searchable database of cultural media research, statistics and industry profiles. There are now 279 documents in the Online Library.

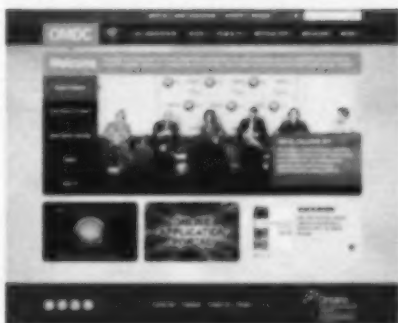
Over the past 12 months, the online library had 797 unique visitors, who conducted a total of 2,883 searches.



Stuart Johnston, President of CIMA presents *Analysis of the Impact of the Ontario Sound Recording Tax Credit*

Doing Business Better

Reaching our audience



omdc.on.ca

Designed to be easy to navigate, easy to read, mobile-friendly and adaptable to the needs of persons who have disabilities, the new OMDC website went live in March. As the primary touchpoint for both public information and business content, the updated site has been painstakingly re-crafted to ensure that it is simple, accessible and consistent in look and language throughout. Enhancements such as new systems for uploading material and refreshing content will make information about programs and services easier to locate, and generate more frequent and fruitful visits by stakeholders. Performance of the new site will be evaluated by objective metrics such as Google Analytics as well as stakeholder feedback.

Social Media

OMDC and the content creators we support are benefitting from increased exposure and awareness through our strengthened social media presence. An increase in the number and duration of visits to the OMDC Facebook page, Twitter feed and YouTube channel are clear indications of growing audience interest and engagement. In 2012-13, OMDC gained over 1,000 Twitter followers, received more than 300 'Likes' on Facebook, uploaded 116 videos to YouTube (attracting over 9,000 upload views) and achieved a Klout Score of 53.

Stakeholder Testimonial

In a new corporate video, leaders from Ontario's book and magazine, film and TV, music and interactive digital media industries answer the question, "What does OMDC stand for?" Candid, on-camera testimonials speak effectively to the agency's role in strengthening Ontario's economy. The video was screened at select OMDC events and can be viewed on the agency's YouTube channel.



Justin Hines



Alana Wilcox

Throughout the year, OMDC staff conducted frequent workshops and information sessions to educate interested parties, from budding artists and students in the cultural media streams to industry groups and international business partners, about how to benefit from and apply for OMDC support. Stakeholder outreach continues to be a key OMDC priority.

Stellar Staff

Amethyst Award Recipients Kristine Murphy and Donna Zuchlinski were honoured for "outstanding achievement by public servants" in recognition of their collaborative work with the International Indian Film Academy (IIFA).



Kristine Murphy



Donna Zuchlinski

OMDC Industry Initiatives Book Consultant Janet Hawkins received the Janice E. Handford Award from the Organization of Book Publishers of Ontario (OBPO).



Karen Thorne-Stone, OMDC's President and CEO; Janet Hawkins OMDC's Industry Initiatives Book Consultant; and Kevin Finnerty, Assistant Deputy Minister, Culture Division, Ministry of Tourism, Culture and Sport

Improving the process

Tax Credit Risk-Based Assessment Model

In 2012, an Internal Auditor's Review was conducted to assess tax credit procedures and assist in identifying strategies to reduce processing times. The Auditor's Report reaffirmed the effectiveness of the tax credit control framework and processes. However, the report strongly endorsed OMDC's proposed implementation of a risk-based assessment model for managing tax credit files.

OMDC worked with the Ministry of Finance to customize the MOF's automated risk assessment system for use with the Ontario Film and Television Tax Credit. Risk-based assessment for the OFTTC as a pilot model was implemented in February, 2013. It is slated for roll-out across the remaining tax credits in 2013-14.

Online Application Portal Videos

Paperless and secure, the Online Application Portal (OAP) allows applicants for all programs and credits to upload and store documents, track the status of applications and communicate with OMDC. A series of instructional videos is available online to provide additional assistance and more detailed instruction. In an effort to expedite processing, it is now mandatory to use the OAP for all applications.

Strategic Objectives

OMDC is working to ensure that we continue to be relevant to the media sectors we serve, that we are positioned to respond effectively to emerging challenges, and that we take full advantage of opportunities to strengthen Ontario's creative industries.

In 2011-12, in consultation with key stakeholders, OMDC developed a strategic plan identifying the key issues facing the book, magazine, film, television, music and interactive digital media industries, and proposing specific strategies to address challenges, stimulate growth and create the conditions for success.

2013-14 GOALS

In the year ahead, our objectives are to:

- **Improve the support delivery process (wait times)**
implementing automated risk-based tax credit assessment
- **Maximize the effectiveness of investment support (ROI)**
improving access to financing and stabilizing business models
- **Achieve greater flexibility in support mechanisms**
providing creative industries with the ability to adapt and respond to a permanent state of change
- **Facilitate cross-sector partnerships**
further strengthening the most effective means of achieving innovation and creating new products
- **Increase connections to export markets**
paying particular attention to the needs of SMEs, which do not have the global influence of larger competitors

25th Annual Trillium Book Award Finalists/Winners*



Trillium Book Award English-language and French language winners receive \$20,000. Publishers of the winning books each receive \$2,500 towards their promotional costs. The respective winners of the Trillium Book Award for Poetry in

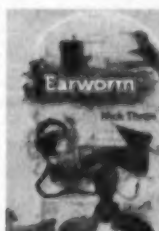
English language and Trillium Book Award for Poetry in the French language each receive \$10,000 and their publishers receive \$2,000. All finalists receive a \$500 honorarium.



English-Language:
Phil Hall, *Killdeer*
(BookThug)



French-Language:
Michèle Vinet,
Jeudi Novembre
(Éditions Prise
de parole)



English-Language
Poetry:
Nick Thran, *Earworm*
(Nightwood Editions)



French-Language
Poetry:
Sonia Lamontagne,
À tire d'ailes
(Éditions Prise
de parole)

English Finalists for the TRILLIUM BOOK AWARD/PRIX TRILLIUM

Ken Babstock, *Methodist Hatchet*, House of Anansi Press
David Bezmozgis, *The Free World*, HarperCollins Publishers
Tony Burgess, *Idaho Winter*, ECW Press
Kristen den Hartog, *And Me Among Them*, Freehand Books
David Gilmour, *The Perfect Order of Things*, Thomas Allen Publishers
Phil Hall, *Killdeer*, BookThug*

French Finalists for the TRILLIUM BOOK AWARD/PRIX TRILLIUM

Yann Garvoz, *Plantation Massa-Lanmaux*, Éditions Maurice Nadeau
Maurice Henrie, *L'enfancement*, Éditions Prise de parole
Monia Mazigh, *Miroirs et mirages*, Éditions L'Interligne
Joëlle Roy, *Xman est back on Huronie*, Éditions David
Michèle Vinet, *Jeudi Novembre*, Éditions Prise de parole*

Finalists for the TRILLIUM BOOK AWARD FOR POETRY IN THE ENGLISH LANGUAGE

Helen Guri, *Match*, Coach House Books
Jacob McArthur Mooney, *Folk*, McClelland & Stewart
Nick Thran, *Earworm*, Nightwood Editions*

Finalists for the TRILLIUM BOOK AWARD FOR POETRY IN THE FRENCH LANGUAGE

Sonia Lamontagne, *À tire d'ailes*, Éditions Prise de parole*
François Baril Pelletier, *Apocryphes du cœur*, Éditions David
Aurélien Resch, *Cendres de lune*, Éditions L'Harmattan



The 25th Anniversary of the Trillium Book Award – A Celebration of Literary Excellence in Ontario

2012-13 OMDC Program Recipients



OMDC Book Fund

The OMDC Book Fund invested over \$2 million in 35 Ontario publishing companies to support 42 new projects with budgets over \$3.5 million. 36 of the 42 projects supported had a digital component.

1. Annick Press Ltd.
2. Between the Lines Inc.
3. Biblioasis Inc.
4. Brick Books Inc.
5. Broadview Press Inc.
6. Coach House Books Inc.
7. Cormorant Books Inc.
8. Crabtree Publishing Company Ltd.
9. Dundurn Press Ltd.
10. ECW Press Ltd.
11. Erond Montgomery Publications Ltd.
12. Firefly Books Ltd.
13. Groundwood Books Ltd.
14. House of Anansi Press Inc.
15. Inanna Publications and Education Inc.
16. Insomniac Press Ltd.
17. Irwin-Law Inc.
18. James Lorimer & Company Ltd.
19. Kids Can Press Ltd.
20. Les Éditions David
21. Les Éditions L'Interligne
22. Owlkids Books Inc.
23. Pembroke Publishers Ltd.
24. Prise de parole Inc.
25. Quattro Books Inc.
26. Rainbow Horizons Publishing Inc.
27. Robert Rose Inc.
28. Second Story Feminist Press Inc.
29. Thomas Allen & Son Ltd.
30. Thompson Educational Publishing Inc.
31. Three O'Clock Press Inc.
32. Tightrope Books Inc.
33. University of Toronto Press
34. Wilfrid Laurier University Press
35. Wolsak and Wynn Publishers Ltd.



2012-13 OMDC Program Recipients



OMDC Film Fund

The OMDC Film Fund provided support of \$4.5 million for 19 production applications and 13 development applications, generating total spending of \$110 million and about 10,800 weeks of work. Every dollar invested by OMDC in production projects generated an additional \$24 in production financing for Film Fund films.

2012-13 OMDC Film Fund - Production - Drama

A Fighting Man - Fighting Man Films Inc.
Breakout - Split D Films Inc.
The Calling - Breaking Ball Films
The Captive (aka **Queen of the Night**) - Queen of the Night Films Inc.
Cas & Dylan - Montefiore Films Inc.
Debug - Copperheart Entertainment Inc.
Enemy - Rhombus Media Inc.
The F Word - F Word Productions Inc.
Happily Ever After - Paragraph Pictures Inc.
Ice Soldiers (aka **The Frozen**) - Tajj Film Distribution Inc.
The Husband - Phenomenal Films Inc.
I'll Follow You Down - Follow You Down Films Inc.
The Intruders - Darius Films Inc.
The Lion's Share - Euclid 431 Pictures Inc.
Maps to the Stars - Plausible Communications
Maudie - Screen Door Inc.
Stage Fright - Serendipity Point Films Inc.

2012-13 OMDC Film Fund - Production - Documentary

Altman - Sphinx Productions
Spaceship Earth - Primitive Entertainment Inc.



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2012-13 OMDC Film Fund - Development - Drama

Action Figures - Strident Films
American English - Gen One Films Inc.
How to Go to a Wedding Alone - Gearshift Films Inc.
Idiot Wind - Corey Marr Productions Inc.
Organic - Conquering Lion Pictures Inc.
Said the Scorpion to the Croc. - Quiet Revolution Pictures Inc.
Winnipeg - Quiet Revolution Pictures Inc.

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2012-13 OMDC Film Fund - Development - Documentary

Gigi in America: Leslie Caron and the Golden Age of Hollywood - Matter of Fact Media Inc.
Legend Of The Ice Bears - Real to Reel Productions Inc.
Milk - Filmblanc Inc.
SongbirdSOS - SongbirdSOS Productions Inc.
Unwanted - Storyline Entertainment Inc.

.....
2012-13 OMDC Film Fund - Development - Animated Feature

Paper Bag Princess - Cookie Jar Entertainment Inc.



2012-13 OMDC Program Recipients

OMDC Interactive Digital Media Fund

The OMDC Interactive Digital Media Fund supported 24 projects with a total of \$3.2 million with combined project budgets over \$9 million. It is estimated that this will create 5,400 weeks of work.

2012-13 OMDC Interactive Digital Media Fund Recipients

1. *AmongMen* - Maple Media Ltd.
2. *Anxietyville* - Xenophile Media Inc.
3. *Burn The Rope 3D* - Big Blue Bubble Inc.
4. *But I'm Chris Jericho!* - Insight Production Company Ltd.
5. *Chat Fu* - Blot Interactive Inc.
6. *Doozers* - DHX Media Interactive (Toronto) Ltd.
7. *DownForce* - Big Viking Games Inc.
8. *Eruption* - Vast Studios Inc.
9. *Guidestones II* - iThentic Canada Inc.
10. *Hero* - XMG Studio Inc.
11. *Kamp Kaboo* - Marblemedia Interactive Inc.
12. *Shuyan the Kung Fu Princess* - Mark Animation
13. *Loose Strands* - Darned Sock Productions
14. *Lost Orbit* - PixelNAUTS Inc.
15. *Mega Jump 2* - Get Set Games Inc.
16. *N++* - Metanet Software Inc.
17. *Pinball Countdown* - Snowed In Studios Inc.
18. *Rollers Of The Realm* - Phantom Compass Inc.
19. *Shadow Wars* - Massive Damage, Inc.
20. *Sinbad: And the Pool of Tears* - Playbrains Inc.
21. *Super Time Force* - Cappybara Games Inc.
22. *The Iron War* - Uken Studios, Inc.
23. *Unlikely Heroes* - Shaftesbury Films Inc.
24. *Versus Valerie* - Sexy Nerd Girl Inc.

OMDC Magazine Fund

OMDC provided \$1.8 million to 40 Ontario-based magazine publishers supporting 43 projects. Project budgets totalled \$ 3.5 million and 36 of the 43 projects supported had a digital component.

2012-13-12 OMDC Magazine Fund Recipients

1. 2 For Life Media Inc.
2. Actual Media Inc.
3. All Terrain Vehicle Publishing Inc.
4. Azure Publishing Inc.
5. Broken Pencil Canadian Cultural Association
6. Canadian Abilities Foundation
7. Canadian Art Foundation
8. Canadian Home Publishers
9. Corporate Knights Inc.
10. Cottage Life Media a division of Blue Ant Media Partnership
11. Disability Today Publishing Group, Inc.
12. Exclaim! Media
13. Family Communications Inc.
14. Green Teacher
15. Grippd Publishing Inc.
16. Inside Track Communications Inc.
17. Inspiring Media Inc.
18. Literary Review of Canada
19. Maple Media Ltd.
20. Ontario Federation of Anglers and Hunters
21. Opera Canada Publications
22. Outpost Inc.
23. Passion Inc.
24. Pedal Magazine, SkiTrax Magazine
25. PenWord Communications Inc.
26. Post City Magazines Inc.
27. Rogers Publishing Ltd.
28. Salon Communications Inc.
29. Sawdust Media Inc.
30. SBC Media Inc.
31. Skynews Inc.
32. Snow Goer Media
33. Snowsport Media Inc.
34. Solstice Publishing Inc.
35. Spacing Media Inc.
36. Taste of Life Magazine Inc.
37. The Walrus Foundation
38. Universus Media Group Inc.
39. Verge Magazine Inc.
40. Your Workplace





OMDC Music Fund

The OMDC Music Fund provided \$700,000 to 21 independent music labels and music publishers to finance business development projects. This fund supported 34 projects with total project budgets of \$1.4 million.

2012-13 OMDC Music Fund Recipients

- | | |
|-------------------------------------|--------------------------------------|
| 1. Arts & Crafts Productions Inc. | 12. Kelp Records Corporation |
| 2. Bernie Breen Music Services Inc. | 13. Last Gang Records Inc. |
| 3. Black Box Recordings Inc. | 14. Linus Entertainment Inc. |
| 4. Burnstead Productions Ltd. | 15. MapleCore Ltd. |
| 5. CP Records Inc. | 16. ole Media Management (GP) Inc. |
| 6. Dave Spencer Management Inc. | 17. Pandynamium Management Inc. |
| 7. Dine Alone Music Inc. | 18. Peter Cardinali Productions Inc. |
| 8. Distort Inc. | 19. Six Shooter Records Inc. |
| 9. Eggplant Entertainment Inc. | 20. The Management Trust II Inc. |
| 10. Fullcc Music Group | 21. URBNET Communications Inc. |
| 11. Hidden Pony Records | |

OMDC Export Fund

The Export Fund has five strands – books, film and television, music and interactive digital media. In 2012-13, OMDC supported 204 Ontario companies attending 356 foreign markets making 747 trips. OMDC support of these companies' initiatives totalled \$1.8 million out of project budgets totaling \$5.2 million.

2012-13 OMDC Export Fund – Book Recipients

- | | |
|--|--|
| 1. Annick Press Ltd. | 20. McArthur & Company Publishing Ltd. |
| 2. Biblioasis Inc. | 21. Owlkids Books Inc. |
| 3. Bookland Press Inc. | 22. Pembroke Publishers Ltd. |
| 4. ChiZine Publications | 23. Playwrights Canada Press Ltd. |
| 5. Coach House Books Inc. | 24. Quattro Books Inc. |
| 6. Crabtree Publishing Company Ltd. | 25. Rainbow Horizons Publishing Inc. |
| 7. DC Canada Education Development (DCCED) Corp. | 26. Robert Rose Inc. |
| 8. Dundurn Press Ltd. | 27. Second Story Feminist Press Inc. |
| 9. ECW Press Ltd. | 28. The Gateway To Knowledge Inc. |
| 10. Fitzhenry & Whiteside Ltd. | 29. Thomas Allen & Son Ltd. |
| 11. Greenwood Books Ltd. | 30. Tralco Educational Services Inc. |
| 12. Guernica Editions Inc. | 31. University of Toronto Press |
| 13. House of Anansi Press Inc. | 32. Wilfrid Laurier University Press |
| 14. Howard Aster & Associates Corp. Ltd. | |
| 15. Insomniac Press Ltd. | |
| 16. James Lorimer & Company Ltd. | |
| 17. Jordan Music Productions Inc. | |
| 18. Kids Can Press Ltd. | |
| 19. Les Éditions du Vermillon | |



2012-13 OMDC Program Recipients



OMDC Export Fund continued

2012-13 OMDC Export Fund – Film Recipients

1. A71 Productions Inc.
2. Alcina Pictures Ltd.
3. Bunk 11 Pictures Inc.
4. Capri Films Inc.
5. Cave 7 Productions Inc.
6. Clique Pictures Inc.
7. Close Up Film Productions Ltd.
8. Conquering Lion Pictures Inc.
9. Copperheart Entertainment Inc.
10. Corvid Pictures
11. Darius Films Inc.
12. Devonshire Productions Inc.
13. Ecstasy Film Inc.
14. Enigmatico Films Inc.
15. Euclid 431 Pictures Inc.
16. Foundry Films Inc.
17. Free Spirit Films Inc.
18. Gearshift Films Inc.
19. Gen One Films Inc.
20. Hill100 Productions Inc.
21. Inigo Films Inc.
22. January Films Ltd.
23. Lumanity Productions Inc.
24. March Entertainment
25. Markham Street Films Inc.
26. Middle Child Films Inc.
27. Murnur Film
28. New Real Films Inc.
29. Phenomenal Films Inc.
30. Platinum Image Reproductions
31. Primitive Entertainment Inc.
32. Quiet Revolution Pictures Inc.
33. Rhombus Media Inc.
34. Sarrazin Productions Inc.
35. Scythia Films Inc.
36. Serendipity Point Films Inc.
37. Six Island Productions Inc.
38. SK Films Inc.
39. Sphinx Productions
40. Strada Films Inc.
41. Straight Edge Films Inc.
42. Tajj Film Distribution Inc.
43. The Film Farm Inc.
44. The Film Works Ltd.
45. Three Blondes Inc.
46. Triptych Media Inc.
47. WANGO Films Inc.
48. Whizbang Films Inc.
49. YN Films Inc.
50. Z films Inc.
51. Zarathustra Films Inc.





OMDC Export Fund continued

2012-13 OMDC Export Fund – Television Recipients

- | | |
|--|---|
| 1. 9 Story Enterprises Inc. | 25. Makin' Movies Inc. |
| 2. Allpar Productions Inc. | 26. Matter of Fact Media Inc. |
| 3. Amaze Film + Television Inc. | 27. Microtainment Plus Productions Inc. |
| 4. Amberwood Productions Services Inc. | 28. Portfolio Entertainment Inc. |
| 5. Amythos Media Inc. | 29. Primevista Television Inc. |
| 6. Antica Productions Ltd. | 30. Proximity Films |
| 7. aquaCULTURE Pictures Inc. | 31. Radical Sheep Productions Inc. |
| 8. Associated Producers Ltd. | 32. Real to Reel Productions Inc. |
| 9. Brain Power Studio Inc. | 33. Rebel Media Ventures International |
| 10. Breakthrough New Media Inc. | 34. Red Queen Productions Inc. |
| 11. Buck Productions Inc. | 35. Riddle Films Inc. |
| 12. CCI Entertainment Ltd. | 36. RTR Media Inc. |
| 13. Chaser Films Inc. | 37. Shaftesbury Films Inc. |
| 14. CineFocus Canada Productions Inc. | 38. Step Three Productions Ltd.) |
| 15. Cookie Jar Entertainment Inc. | 39. Stornoway Productions |
| 16. Cream Productions Inc. | 40. Storyline Entertainment Inc. |
| 17. D. Nightingale & Associates Ltd. | 41. Take 3 Productions Inc. |
| 18. Frogwater Media Inc. | 42. Take 5 Productions Inc. |
| 19. GAPC Entertainment Inc. | 43. Temple Street Productions Inc. |
| 20. Guru Animation Studio Ltd. | 44. Varner Productions Ltd. |
| 21. In Sync Media | 45. WestWind Pictures Ltd. |
| 22. Keyframe Digital Productions Inc. | 46. White Pine Pictures Inc. |
| 23. Lively Media Inc. | 47. Yowza Digital Inc. |
| 24. Magic Lantern Media Inc. | |

2012-13 OMDC Export Fund – Music Recipients

- | | |
|---|--|
| 1. Aporia Records Inc. | 18. Last Gang Records Inc. |
| 2. Arts & Crafts Productions Inc. | 19. Linus Entertainment Inc. |
| 3. Awesome Productions and Management Inc. | 20. MapleCore Ltd. |
| 4. Bernie Breen Music Services Inc. | 21. MDM Recordings Inc. |
| 5. Bumstead Productions Ltd. | 22. ole Media Management (GP) Inc. |
| 6. Bunk Entertainment Inc. | 23. Outside Music Distribution Inc. |
| 7. Canadian Music Centre/Centre de Musique Canadienne | 24. Pandynamium Management Inc. |
| 8. Coalition Entertainment (Records) | 25. Paper Bag Records Inc. |
| 9. CP Records Inc. | 26. Peter Cardinali Productions Inc. |
| 10. Curve Music Inc. | 27. Popturu Sound & Vision Ltd. |
| 11. Dave Spencer Management Inc. | 28. Q&A Music Rights Administration Inc. |
| 12. Dine Alone Music Inc. | 29. Red Brick Music Publishing |
| 13. Distort Inc. | 30. Six Shooter Records Inc. |
| 14. Do Right Music Inc. | 31. Starfish Entertainment Inc. |
| 15. Eggplant Entertainment Inc. | 32. tanjola Brand Partners LP |
| 16. Fullcc Music Group | 33. The Management Trust Ltd. |
| 17. Kelp Records Corporation | 34. Wax Records Inc. |





OMDC Export Fund continued

2012-13 OMDC Export Fund – Interactive Digital Media Recipients

- | | |
|---|----------------------------------|
| 1. Aesthetec Studio Inc. | 21. Little Guy Games Inc. |
| 2. Antic Entertainment Inc. | 22. Marblemedia Interactive Inc. |
| 3. BattleGoat Studios | 23. Metanet Software Inc. |
| 4. Big Blue Bubble Inc. | 24. OmniG Software Inc. |
| 5. BlackCherry Digital Media Inc. | 25. Phantom Compass Inc. |
| 6. Blot Interactive Inc. | 26. PixelNAUTS Inc. |
| 7. Copybara Games Inc. | 27. Pop Sandbox Inc. |
| 8. DHX Media Interactive (Toronto) Ltd. | 28. Resolve Labs Inc. |
| 9. Digital Extremes Ltd. | 29. SailorJones Media Inc. |
| 10. Digital Frog International Inc. | 30. Secret Location Inc. |
| 11. Drinkbox Studios Inc. | 31. Snakehead Games, Inc. |
| 12. EatSleepRIDE MOBILE | 32. Snowed In Studios Inc. |
| 13. Fuel Industries Inc. | 33. Social Game Universe Inc. |
| 14. Game Pill Inc. | 34. Splashworks.com Inc. |
| 15. Get Set Games Inc. | 35. Spooky Squid Games Inc. |
| 16. HitGrab Inc. | 36. Untold Entertainment Inc. |
| 17. Hop To It Productions Inc. | 37. Vast Studios Inc. |
| 18. Spongelab Interactive | 38. Xenophile Media Inc. |
| 19. jack digital productions Inc. | 39. XMG Studio Inc. |
| 20. Jill Golick Enterprises Ltd. | 40. zinc Roe Inc. |

OMDC Research Grants

OMDC offers financial support directly to incorporated not-for-profit industry organizations undertaking research initiatives that support or complement the mandate of OMDC. In 2012-13, OMDC awarded \$245,300 in research grants to eight studies:

2012-13 OMDC Research Grant Recipients

- | | |
|--|--|
| 1. Canadian Independent Music Association (CIMA) – <i>Community Development Project</i> | 5. Information and Communications Technology Council (ICTC) – <i>ICTC: Economic Wavefronts</i> |
| 2. Canadian Interactive Alliance (CIAIC) – <i>Canadian Interactive Industry Profile 2012 (CIIP)</i> | 6. Interactive Ontario (IO) – <i>Interactive Digital Media Sector Mapping Project</i> |
| 3. Canadian Media Production Association (CMPA) – <i>Global Market Access: Strategies for Canada's Digital Content Producers</i> | 7. imagineNATIVE – <i>Indigenous Feature Film Production in Canada: A National and International Perspective</i> |
| 4. Documentary Organization of Canada (DOC) – <i>Getting Real 5</i> | 8. Professional Writers Association of Canada (PWAC) – <i>Cooperative Publishing Feasibility Study</i> |



Industry Development Program

Ontario Media Development Corporation provides support to Ontario's cultural entrepreneurs by partnering with established trade and event organizations to offer initiatives, events and activities that stimulate the growth of the cultural media industries. These initiatives must promote the potential for measurable commercial transactions or other business-focused opportunities for Ontario companies that create and sell content in the book and magazine, film and television, music and interactive digital media industries and any combination of these industries. OMDC Industry Development Program provided support to industry to trade organizations for a total of 62 initiatives during the year. This support has led to a reported 36,304 business connections by participants to date.

2012-13 OMDC Industry Development Program Recipients

1. Association of Canadian Publishers – 49th Shelf: Phase II Development and Marketing
2. Association of Canadian Publishers – International Book Fair Networking Events: Frankfurt & Bologna
3. Association of Canadian Publishers – Top Grade: School Library Marketing Initiative
4. Atlantic Film Festival Association – Strategic Partners
5. Banff Television Festival Foundation – Deal Makers Live at Banff 2012
6. Book and Periodical Council – Book Summit 2012 - The Page and Persuasion: Discoverability in an Age of Abundance
7. Canadian Film Centre – WSFF Short Films: BIG IDEAS Symposium
8. Canadian Film in the Schools – Reel Canada
9. Canadian Film Institute/Ottawa International Animation Festival – Television Animation Conference
10. Canadian Independent Music Association – Canadian Blast at SXSW 2013
11. Canadian Independent Music Association – Canada at MIDEW 2013
12. Canadian Independent Music Association – Canada House at Reeperbahn Festival
13. Canadian Independent Music Association – Canada House at TGE (Brighton) & Pre-TGE Initiative (London) May 9-13, 2012
14. Canadian Independent Music Association – CIMA Mission to Music Matters Singapore, May 22-26, 2012
15. Canadian Independent Music Association – CIMA Music Mission to Japan, November 26-29, 2012
16. Canadian Music Week – International Business Development Activities at Canadian Music Week
17. Cinéfest: The Sudbury Film Festival Inc. – Industry Forum / Cinema Summit
18. Digital Interactive Gaming London Inc. – DIG 2012
19. Documentary Organization of Canada – OMDC DOC Toronto Mentorship at Hot Docs with diversity component
20. FlashinTO Inc. – SCREENS 2012
21. Folk Music Canada – Folk Music Canada Export Development at Folk Alliance 2013
22. Gamercamp – Gamercamp
23. Hot Docs Canadian International Documentary Festival – Hot Docs Documentary Market Events
24. Hot Docs Canadian International Documentary Festival – Hot Docs Strategic Support for Ontario Documentary Producers at Sheffield and Sunnyside of the Docs
25. Independent Production Fund – Digital Marketing Workshop - How To Build An Audience



2012-13 OMDC Program Recipients

2012-13 OMDC Industry Development Program continued

- | | |
|---|---|
| 26. Independent Publishers Association of Ontario – IPAO/Centennial College Internship Program | 46. National Screen Institute – Canada – NSI Totally Television 2012-13 |
| 27. Interactive Ontario Industry Association – GameON: Finance 2013 | 47. North by Northeast Conferences, Inc. – 2012 NXNEi Conference and Transmedia Summit 2 |
| 28. Interactive Ontario Industry Association – iLunch 11 | 48. Organization of Book Publishers of Ontario – Open Book: Toronto and Open Book |
| 29. Interactive Ontario Industry Association – INplay 2012 | 49. Organization of Book Publishers of Ontario – OBPO Display at OLA 2013 Super Conference |
| 30. Interactive Ontario Industry Association – X-Summit 2012 | 50. Organization of Book Publishers of Ontario – OBPO Kobo 2013 Promotion |
| 31. International Readings at Harbourfront – International Visitors Programme | 51. PhemPhat Entertainment Group – Honey Jam 2012 |
| 32. Magazines Canada – Advertising, Circulation, Editorial, Production, Digital Quick Hit Documents | 52. Planet in Focus: International Environmental Film & Video Festival – Industry Series at the 2012 Planet in Focus Festival |
| 33. Magazines Canada – Business Development | 53. ReelWorld Film Festival Inc. – ReelWorld OMDC Networking Brunch |
| 34. Magazines Canada – Business Media Summits | 54. Salon du livre de Toronto – 20e Salon du livre de Toronto |
| 35. Magazines Canada – Digital Evolution Update & Create Key Compilation Documents (English & French) | 55. The Female Eye Film Festival – 10th Anniversary Female Eye Film Festival - Industry Initiatives Program |
| 36. Magazines Canada – 2012-2013 Direct Marketing Campaign | 56. Toronto Blues Society – Blues Summit VI Conference |
| 37. Magazines Canada – Executive Update | 57. Toronto Book and Magazine Festival – The Vibrant Voices of Ontario Tent 2012 |
| 38. Magazines Canada – MagNet: Canada's Magazine Conference 2012 | 58. Toronto International Film Festival Inc. – Festival 2012 - Sales and Industry Office |
| 39. Magazines Canada – 2012-2013 Newsstand Marketing Project | 59. Toronto International Film Festival Inc. – TIFF Film Circuit |
| 40. Magazines Canada – Ontario Magazine Media Growth | 60. Toronto International Film Festival Inc. – TIFF Kids International Film Festival - Industry Component |
| 41. Magazines Canada – Update & Create Key Compilation Documents (English & French) | 61. Toronto Reel Asian International Film Festival – Industry Series |
| 42. Music and Film in Motion/Musique et film en mouvement – 2012 NOMFA Conference | 62. Women in Film & Television - Toronto – WIFT-T Development Incubator |
| 43. Music Managers Forum Canada – MMF Canada's Management Symposium | |
| 44. National Magazine Awards Foundation – Annual Consumer & Trade Magazine Gala | |
| 45. National Reading Campaign – Interactive Website Development | |

Board of Directors

Ontario Media Development Corporation (2012-13)

Kevin Shea, Chair

Owner and President
SheaChez Inc.

- appointed and designated August 24, 2006;
- re-appointed and re-designated August 24, 2009

Nyla Ahmad

Vice-President, New Venture Operations
& Strategic Partnerships
Rogers Communications Inc.

- appointed August 12, 2009;
- re-appointed February 7, 2012

Paul Bronfman

Chairman and Chief Executive Officer
Comweb Group Inc. and
William F. White International
Chairman
Pinewood Toronto Studios Inc.

- appointed April 14, 2010;
- re-appointed February 7, 2013

Alexandra Brown

Alex B. & Associates

- appointed February 7, 2007;
- designated Vice-Chair and re-appointed February 7, 2010; re-appointed and re-designated February 7, 2013

Susan de Cartier

President
Starfish Entertainment

- appointed March 10, 2010;
- re-appointed February 7, 2013

Nathon Gunn

President, CEO and Founder
Bitcasters

- appointed February 21, 2007;
- re-appointed February 7, 2010;
- re-appointed February 7, 2013

Leesa Kopansky

Executive Director
Lights, Camera, Access!

- appointed February 21, 2007;
- re-appointed February 7, 2010;
- re-appointed February 7, 2013

Sarah MacLachlan

President
House of Anansi Press and
Groundwood Books

- appointed August 12, 2008;
- re-appointed February 7, 2011

Ildiko Marshall

Former Vice-President and Publisher
Today's Parent Group at *Rogers Publishing*

- appointed April 14, 2010;
- re-appointed February 7, 2013

Anita McQuat

Senior Manager,
Audit and Assurance Group
PwC

- appointed May 30, 2012

Nicole St. Pierre

Head of Business and Legal Affairs
Mercury Filmworks

- appointed March 3, 2010;
- expired February 6, 2013

Marguerite Pigott

Creative Development Group Lead
Super Channel
Principal
Megalomedia Productions Inc.

- appointed August 12, 2009;
- re-appointed February 7, 2012

Justin Poy

President and Creative Director
The Justin Poy Agency

- appointed July 8, 2010;
- expired February 6, 2013

Robert Richardson

President
Devon Group

- appointed November 10, 2005;
- re-appointed February 7, 2008;
- re-appointed February 7, 2011

Mark Sakamoto

Principal
Sakamoto Consulting Inc.

- appointed August 21, 2008;
- re-appointed February 7, 2011

John B. Simcoe

Partner
PriceWaterhouseCoopers

- appointed February 7, 2003;
- re-appointed February 7, 2006;
- re-appointed February 7, 2009;
- re-appointed February 7, 2012
- * six-month extension;
- expired August 6, 2012

Blake Tohana

Chief Financial Officer and
Chief Operating Officer
marblemedia

- appointed March 10, 2010;
- re-appointed February 7, 2013

Total remuneration to the
Board of Directors for the fiscal year
ending March 31, 2013 was
\$40,812.50

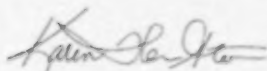
Management's Responsibility for Financial Statements

The accompanying financial statements have been prepared by management in accordance with Canadian public sector accounting standards and are the responsibility of management. The preparation of the financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods. The financial statements have been properly prepared within reasonable limits of materiality and in light of information available up to September 24, 2013.

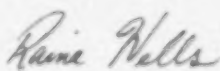
Management maintains a system of internal controls designed to provide reasonable assurance that the assets are safeguarded and that reliable financial information is available on a timely basis. The system includes formal policies and procedures and an organizational structure that provides for appropriate delegation of authority and segregation of responsibilities.

Ontario Media Development Corporation's Board of Directors is responsible for ensuring that management fulfills its responsibilities. The Board has appointed an audit committee from among its own members. The audit committee meets periodically with senior management and the Office of the Auditor General of Ontario to discuss audit, internal control, accounting policy, and financial reporting matters. The financial statements are reviewed by the audit committee before approval by the Board of Directors.

The Office of the Auditor General of Ontario conducts an annual audit in accordance with subsection 14(1) of Ontario Regulation 672/00 of the Development Corporations Act. The auditor's report outlines the scope of the auditor's examination and opinion.



Karen Thorne-Stone
President & Chief Executive Officer



Raina Wells
Director, Business Affairs and Research (A)

September 24, 2013

Independent Auditor's Report

To the Ontario Media Development Corporation and the Minister of Tourism, Culture & Sport

I have audited the accompanying financial statements of the Ontario Media Development Corporation, which comprise the statement of financial position as at March 31, 2013, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

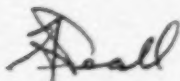
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Opinion

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Ontario Media Development Corporation as at March 31, 2013 and the results of its operations, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Gary Peall, CPA, CA, LPA
Deputy Auditor General

Toronto, Ontario
September 24, 2013

Statement of Financial Position

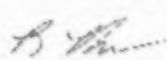
As at March 31, 2013

	2013 (\$ 000's)	2012 (\$ 000's)
ASSETS		
Cash and cash equivalents (Note 3)	11,900	13,743
Short-term investments (Note 3)	6,699	6,892
Accounts receivable	150	195
Prepaid expenses	54	47
Accrued interest	104	85
Current assets	18,907	20,962
Capital assets (Note 4)	529	687
	19,436	21,649
LIABILITIES		
Accounts payable and accrued liabilities	9,633	2,913
Due to the Province	216	213
Current liabilities	9,849	3,126
DEFERRED REVENUE (Note 5)	150	1,218
ACCRUED EMPLOYEE BENEFITS OBLIGATION (Note 8)	898	812
COMMITMENTS (Note 7)		
NET ASSETS		
Invested in capital assets	529	687
Unrestricted	8,010	15,806
	8,539	16,493
	19,436	21,649

The accompanying notes are an integral part of these statements.

On behalf of the Board:


Chair


Member, Audit Committee

Statement of Operations

For the Year ended March 31, 2013

	2013 (\$ 000's)	2012 (\$ 000's)
REVENUE		
Ministry of Tourism, Culture and Sport (Note 5)	25,298	32,925
Tax credit administrative fees	1,196	1,306
Interest	324	357
Return of investment under assistance programs	61	275
Other	229	222
	27,108	35,085
EXPENSES		
Industry development initiatives	17,813	11,508
Operating expenses (Note 6)	10,220	9,887
Intellectual Property Development Fund	-	3,626
Entertainment and Creative Cluster Partnerships Fund	1,030	3,008
Interactive Digital Media Fund	3,954	2,331
Toronto International Film Festival Group grants	1,350	1,330
Research initiatives	507	341
Awareness Campaign	188	109
	35,062	32,140
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(7,954)	2,945

The accompanying notes are an integral part of these statements.

Statement of Changes in Net Assets

For the Year ended March 31, 2013

		2013 (\$ 000's)		2012 (\$ 000's)
	Invested in Capital Assets	Unrestricted	Total	Total
Balance, beginning of year	687	15,806	16,493	13,548
Excess (deficiency) of revenue over expenses	(286)	(7,668)	(7,954)	2,945
Investment in capital assets	128	(128)	-	-
Balance, end of year	529	8,010	8,539	16,493

The accompanying notes are an integral part of these statements.

Statement of Cash Flows

For the Year ended March 31, 2013

	2013 (\$ 000's)	2012 (\$ 000's)
Cash flows from (used in) operating activities		
Excess (deficiency) of revenue over expenses	(7,954)	2,945
Amortization of capital assets	286	519
	(7,668)	3,464
Changes in non-cash working capital		
Accounts receivable	45	235
Prepaid expenses	(7)	18
Accrued interest	(19)	(26)
Current liabilities	6,723	469
Deferred revenue	(1,068)	(5,062)
Accrued employee benefits obligation	86	100
	5,760	(4,266)
Net cash used in operating activities	(1,908)	(802)
Capital Activities		
Net purchase of capital assets	(128)	(680)
Investing Activities		
Net disposal of short-term investments	193	172
Net decrease in cash	(1,843)	(1,310)
Cash and cash equivalents at beginning of year	13,743	15,053
Cash and cash equivalents at end of year	11,900	13,743

The accompanying notes are an integral part of these statements.

Notes to Financial Statements

March 31, 2013

1. BACKGROUND

The Ontario Media Development Corporation (the 'Corporation') is an agency of the Ministry of Tourism, Culture and Sport of the Government of Ontario created under Regulation 672/00 of the Development Corporations Act, and as such is not required to pay income taxes. The Corporation promotes the economic growth of Ontario's cultural media sector and focuses on strategic partnerships among all the industries – film, television, sound recording, book and magazine publishing and interactive digital media. The Corporation is classified as a government not-for-profit organization for accounting purposes.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the first financial statements which the Corporation has prepared in accordance with Public Sector Accounting Standards (PS), which constitutes generally accepted accounting principles for government not-for-profit organizations in Canada. The Corporation has chosen to use the standards for government not-for-profit organizations that include sections PS 4200 to PS 4270. The adoption of the new standards did not result in any retroactive adjustments to previously reported financial statements, nor were any significant reclassifications to the comparative figures required.

Significant accounting policies followed in the preparation of these financial statements include:

(a) Capital Assets

Capital assets are recorded at cost less accumulated amortization. Capital assets are amortized on a straight-line basis over the following terms beginning in the year of acquisition or year of use, if later:

Furniture and Office Equipment	10 years
Computer Hardware	3 years
Customized Computer Software	3 years
Leasehold Improvements	5 years

(b) Revenue Recognition

Unrestricted government base operating grants are recognized as revenue in the period received. Restricted government grants are deferred and recognized as revenue in the year in which the related expenses are approved.

Tax credit administrative fees are recognized when earned, which is normally upon receipt. The return of investment under assistance programs is recorded on a cash basis because a reasonable estimate of the amounts to be collected cannot be made.

(c) Grants and Recoupable Advances

Effective April 1, 2012, the Corporation adopted new Public Sector Handbook Standard 3410-Government Transfers. In accordance with the transitional provision of this standard, the Corporation has elected to adopt the change prospectively. Grants and recoupable advances are recorded as expenses in the year that the Corporation approves the grant or advance. Grants and advances are recorded as accounts payable and accrued liabilities, subject to certain performance conditions placed on the recipients.

(d) Contributed Services

Contributed services are received for certain events and are not recognized in the financial statements.

(e) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, current bank accounts, bankers' acceptances and bearer deposit notes from Canadian chartered banks with terms of maturity of less than 93 days.

(f) Short-term Investments

Short-term investments are comprised of bankers' acceptances and bearer deposit notes from Canadian chartered banks with terms of maturity of 93 days to one year.

(g) Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses. Actual amounts could differ from these estimates.

(h) Financial Instruments

Effective April 1, 2012, the Corporation adopted new Public Sector Handbook Standard 3450-Financial Instruments which requires the Corporation's financial instruments to be measured at either fair value; or cost or amortized cost. The Corporation has elected to use cost to measure its financial instruments which consist of cash and cash equivalents, short term investments, accounts receivable, accounts payable and due to the province.

3. FINANCIAL INSTRUMENTS

Credit and Interest Rate Risk – Credit risk may arise from the possibility that a creditor defaults on payment obligations, while interest rate risk is inherent in investments due to fluctuations in interest rates. The Corporation's exposure to credit and interest rate risk is minimal as the Corporation's cash and cash equivalents and short term investments have relatively short maturity spans and are held with leading Canadian chartered banks.

Cash and cash equivalents include \$11,627 million (2012 - \$13,472 million) of bankers' acceptances and bearer deposit notes from Canadian chartered banks with interest rates ranging from 1.0%-1.4%. Short-term investments of \$6,699 million (2012 - \$6,892 million) consist of bankers' acceptances and bearer deposit notes from Canadian chartered banks with interest rates ranging from 1.1% - 1.3%.

Market Risk – Market risk arises when the value of an investment portfolio decreases as a result of changes in the volatility of interest rates, stock prices and foreign exchange risks. The Corporation is not exposed to any market risk due to the nature of its investments.

Liquidity Risk – Liquidity risk is the risk that the Corporation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Corporation manages its liquidity risk by monitoring its operating requirements. The Corporation prepared budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

There have been no significant changes to the risk exposure from 2012.

Notes to Financial Statements

March 31, 2013

4. CAPITAL ASSETS

	2013 (\$ 000's)		2012 (\$ 000's)	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and Office Equipment	356	259	97	121
Computer Hardware	88	56	32	24
Customized Computer Software	335	258	77	118
Leasehold Improvements	546	223	323	424
	1,325	796	529	687

5. MINISTRY OF TOURISM, CULTURE AND SPORT FUNDING

The Ministry of Tourism, Culture and Sport (a related party) provided a \$22.980 million (2012 - \$23.063 million) base operating grant which has been recognized as revenue in the fiscal year. Deferred revenue represents unspent resources related to special purpose funding from the Ministry of Tourism, Culture and Sport. Changes to the deferred revenue are as follows:

	2013 (\$ 000's)				2012 (\$ 000's)
	Entertainment & Creative Cluster Partnerships Fund	Canadian Screen Awards	Interactive Digital Media Fund	Awareness Campaign	Total
Opening balance	1,031	-	-	187	1,218
Funding received	-	250	1,000	-	1,250
Recognized as revenue	(1,031)	(100)	(1,000)	(187)	(2,318)
Closing balance	-	150	-	-	150

Included in Entertainment and Creative Cluster Partnerships Fund is \$82,000 (2012 - \$217,000) in respect of grants awarded to the Toronto International Film Festival Group.

Notes to Financial Statements

March 31, 2013

6. OPERATING EXPENSES

	2013 (\$ 000's)	2012 (\$ 000's)
Salaries, wages and benefits		
Tax credit administration	2,345	2,050
Industry development	1,866	1,755
Business affairs and research	1,332	1,251
Other	726	739
	6,269	5,795
 Corporate expenses and operations	 1,225	 1,188
Consulting services	539	504
Amortization of capital assets	286	519
Advertising, promotion & publications	425	495
Program support	1,114	1,019
Travel	362	367
	10,220	9,887

7. COMMITMENTS

(a) Program Commitments

The Corporation has committed \$70,000 to the Ministry of Tourism, Culture and Sport (a related party) for a project dedicated to enhancing performance measurement, which will be paid out of existing funds in the next fiscal year.

(b) Lease Commitments

The Corporation is committed under operating leases for premises and office equipment to future minimum payments as follows:

	(\$ 000's)
2014	435
2015	30
2016	1
2017	-
2018	-
	466

The lease for premises expires October 31, 2013, and the Corporation has entered into negotiations with the Lessor on the terms of the new lease.

Notes to Financial Statements

March 31, 2013

8. OBLIGATION FOR EMPLOYEE FUTURE BENEFITS

The Corporation's employees are entitled to benefits that have been negotiated centrally for Ontario Public Service employees. The future liability for benefits earned by the Corporation's employees is included in the estimated liability for all provincial employees and is recognized in the Province's consolidated financial statements. These benefits are accounted for by the Corporation as follows:

(a) Pension Plans

The Corporation's full-time employees participate in the Public Service Pension Fund (PSPF) or the Ontario Public Service Employees' Union Pension Fund (OPSEU-PF), which are defined benefit pension plans for employees of the Province and many provincial agencies. The Province of Ontario, which is the sole sponsor of the PSPF and a joint sponsor of the OPSEU-PF, determined the Corporation's annual payments to the funds. Since the Corporation is not a sponsor of these funds, gains and losses arising from statutory actuarial funding valuations are not assets or obligations of the Corporation, as the sponsors are responsible for ensuring that the pension funds are financially viable. The Corporation's annual payments of \$454,000 (2012 - \$397,000) are included in operating expenses in the Statement of Operations.

(b) Accrued Employee Benefits Obligation

The costs of any legislated severance and unused vacation entitlements earned by employees are recognized when earned by eligible employees. These costs for the year amounted to \$113,000 (2012 - \$126,000) and are included in employee benefits in Operating expenses. The total liability for these costs is reflected in the accrued employee benefits obligation, less any amounts payable within one year, which are included in accounts payable and accrued liabilities, as follows:

	2013 (\$ 000's)	2012 (\$ 000's)
Total liability for severance and vacation	1,164	1,051
Less: Due within one year and included in accounts payable and accrued liabilities	(266)	(239)
Accrued employee benefits obligation	898	812

(c) Other Non-Pension Post-Employment Benefits

The cost of other non-pension post-retirement benefits is determined and funded on an ongoing basis by the Ontario Ministry of Government Services (a related party) and accordingly is not included in these financial statements.

9. PUBLIC SECTOR SALARY DISCLOSURE

Section 3(5) of the Public Sector Salary Disclosure Act (1996) requires disclosure of Ontario public sector employees who were paid an annual salary in excess of \$100,000 in the calendar year 2012. For the Corporation, this disclosure is as follows:

Name	Title	Salary	Taxable benefits
Jennifer Blitz	Director, Tax Credit and Financing Program	\$101,535	\$145
Raina Feldman	Director, Business Affairs & Research	\$122,269	\$175
Kristine Murphy	Director, Industry Development Group	\$136,361	\$187
Karen Thorne-Stone	President & Chief Executive Officer	\$180,750	\$239

Supplemental Information (unaudited)

For the Year ended March 31, 2013

The following chart illustrates that 90.9% of OMDC's expenditures for the year ended March 31, 2013 are program-related.

	CORPORATE (\$ 000's)	PROGRAM RELATED (\$ 000's)	2013 TOTAL (\$ 000's)
Direct Support (from Statement of Operations):	-	24,842	24,842
From Note 6:			
Salaries, Wages and Benefits	1,566	4,702	6,268
Corporate Expenses and Operations	844	381	1,225
Consulting Services	148	391	539
Amortization of Capital Assets	174	112	286
Advertising, Promotion & Publications	343	82	425
Program Support	-	1,114	1,114
Travel	102	261	363
Total Expenditures	3,177	31,885	35,062
% of total	9.1%	90.9%	100.0%